

WATTS GUERRA LLP  
Mikal C. Watts  
70 Stony Point Road, Suite A  
Santa Rosa, California 95401  
Phone: (707) 241-4567  
2561 California Park Drive, Suite 100  
Chico, California 95928  
Phone: (530) 240-6116  
Email: [mcwatts@wattsguerra.com](mailto:mcwatts@wattsguerra.com)

*Attorneys for Numerous Wild Fire Claimants*

UNITED STATES BANKRUPTCY COURT  
NORTHERN DISTRICT OF CALIFORNIA  
SAN FRANCISCO DIVISION

In re:  
PG&E CORPORATION  
- and -  
PACIFIC GAS AND ELECTRIC  
COMPANY,  
Debtors.

Bankruptcy Case  
No. 19-30088 (DM)

Chapter 11  
(Lead Case)  
(Jointly Administered)

**DECLARATION OF MIKAL WATTS IN  
SUPPORT OF HIS PRELIMINARY  
OPPOSITION TO WILLIAM B.  
ABRAMS MOTION TO DESIGNATE  
IMPROPERLY SOLICITED VOTES  
PURSUANT TO 11 U.S.C. §1125(B) AND  
1126(E) AND BANKRUPTCY RULE 2019**

☐ Affects PG&E Corporation  
☐ Affects Pacific Gas and Electric Company  
☒ Affects both Debtors

*\* All papers shall be filed in the Lead Case,  
No. 19-30088 (DM).*

Date: April 27, 2020  
Time: 10:00 a.m. (Pacific Time)  
Place: United States Bankruptcy Court  
Courtroom 17, 16th Floor  
450 Golden Gate Avenue  
San Francisco, CA 94102

Re: Docket No. 6799 & 6798

**DECLARATION OF MIKAL WATTS**

Mikal Watts declares the following pursuant to 28 U.S.C. § 1746:

1. I am an attorney at the law firm of WATTS GUERRA LLP.
2. My firm has twenty-five lawyers, a staff of approximately 100 employees, and eight offices in California and Texas.

1           3.       I have practiced law for over thirty (30) years, and have led my own firms for more  
2 than twenty-three (23) years.

3           4.       During all twenty-three of those years leading my own firm, my firms always have  
4 had access to traditional law firm credit facilities, which involve a banking institution providing  
5 operational and case investment capital to a law firm through a general credit line, with such credit  
6 being collateralized by the income produced by the law firm, and with such risk to the banking  
7 institution being spread out via assignment rights provided by the bank.

8           5.       Importantly, my lenders never have been, and are not now, granted control  
9 whatsoever over my firm's litigation decisions.

10          6.       In recent years, there also has been a proliferation of for-profit firms offering  
11 nonrecourse loans to plaintiffs in return for a share of any funds recovered. These rights to share  
12 in a percentage of funds recovered also can be assigned out by the litigation funder. This is *not* the  
13 kind of credit facility used by WATTS GUERRA.

14          7.       WATTS GUERRA's credit facility is not contingent upon the outcome of this  
15 litigation. Rather, it is a general credit facility collateralized by income to be received by the firm  
16 across all its various cases; a facility no different than any other facility provided by banking  
17 institutions across the United States.

18          8.       WATTS GUERRA's lenders have been given no right of control over the firm's  
19 decisions concerning this litigation.

20          9.       Together with other law firms, WATTS GUERRA LLP represents more than 16,000  
21 individuals who timely filed Notices of Claims in this bankruptcy proceeding.

22          10.       To my knowledge, his Court has not entered an order requiring private counsel to  
23 make disclosures pursuant to Bankruptcy Rule 2019, and a reading of the rule suggests that it  
24 probably does not apply to private counsel representing individual fire survivors.  
25  
26  
27  
28

1           11.     WATTS GUERRA is not a group or committee.

2           12.     Each fire survivor's Notice of Claim filed by this Court's amended Bar Date of  
3 December 31, 2019 sets forth the name of the law firm representing each such fire survivor.

4           13.     WATTS GUERRA has no disclosable economic interest held in relation to the  
5 debtor, and no economic interest in it that is affected by the value, acquisition, or disposition of a  
6 claim or interest.

7  
8           14.     WATTS GUERRA is not a member of a group or committee that claims to represent  
9 any entity; rather WATTS GUERRA represents its individual clients alone as single creditors, not  
10 with some official committee.

11           15.     WATTS GUERRA is not a creditor or equity security holder represented by an  
12 entity, group, or committee.

13  
14           16.     If the Court believes that WATTS GUERRA and other private attorneys not serving  
15 on the TCC, should provide a disclosure under Bankruptcy Rule 2019 WATTS GUERRA is happy  
16 to voluntarily make such a disclosure upon order of this Court pursuant to Bankruptcy Rule  
17 2019(e)(3).

18           17.     WATTS GUERRA has disclosed to its clients and to others its communications in  
19 this case with assignees of portions of its credit facility, and its subsequent communications with  
20 principals of the Debt and the Equity. Specifically, Mikal Watts conducted an in-person town hall  
21 to WATTS GUERRA's clients in Chico on December 12, 2020, and in Santa Rosa later the same  
22 day. This town hall was filmed, and all WATTS GUERRA clients received an update email or  
23 letter shortly thereafter with a link to the video of those town hall meetings. A link to a Power  
24 Point setting forth the nature of the disclosure made in Santa Rosa on December 12, 2019 is  
25 provided herewith,<sup>1</sup> and specific reference is made to slides 53-80 therein. A link to a Power Point  
26  
27

28  

---

<sup>1</sup> [Click here to download the file](#)

1 setting forth the nature of the disclosure made in Chicco on December 12, 2019 is provided  
2 herewith,<sup>2</sup> and specific reference is made to slides 53-80 therein. Likewise, a second version of the  
3 same disclosure occurred most recently on April 18, 2020 on a telephonic town hall that was open  
4 to the public. A transcript of that meeting is made available herewith as well.<sup>3</sup>

5  
6 18. WATTS GUERRA provided the disclosure statement and other materials required  
7 by this Court digitally on March 31, 2020, before beginning its communications program during  
8 the voting period. The Restructuring Support Agreement specifically provided for “approval by  
9 the Bankruptcy Court of procedures to allow distribution of solicitation materials and casting of  
10 ballots for holders of Fire Victim Claims by digital means.” Doc. # 50380-1, p. 4, ¶2(a)(ii).  
11 WATTS GUERRA confirmed that the court-ordered disclosure statement and other materials  
12 would be available beginning March 31, 2020, prepared its digital disclosure plan, and executed on  
13 it early in the morning on March 31, 2020 for the very purpose of ensuring compliance with 11  
14 U.S.C. §1125(b).  
15

16 19. WATTS GUERRA continues to provide information both to its clients with update  
17 letters and emails. During the litigation, WATTS GUERRA conducted quarterly in-person town  
18 hall meetings and provided systematic written updates as well. More recently, we have been  
19 providing weekly written updates to our clients.  
20

21 20. Additionally, WATTS GUERRA provides information on its website,  
22 [www.firesettlementfacts.com](http://www.firesettlementfacts.com). As questions are presented by fire survivors, those questions are  
23 sent to Watts, who prepares an answer that is then recorded on video, and put up on the website for  
24 all to see. A repeated disclosure of the information concerning credit facilities was made again  
25

---

26 <sup>2</sup> [Click here to download the file](#)

27 <sup>3</sup> [Click here to download the file](#)  
28

1 during our April 18, 2020 telephonic town hall, and a Drop Box of that disclosure is available  
2 herewith. <sup>4</sup> Likewise, that disclosure has been made available to all on  
3 [www.firesettlementfacts.com](http://www.firesettlementfacts.com).

4  
5 21. Since the COVID-19 “shelter in place” orders, WATTS GUERRA has and will  
6 continue to conduct ten (10) weekly telephonic town hall meetings where fire survivors can call in  
7 and listen to various lawyers discuss the issues relating to the plan, and to answer questions fire  
8 survivors may have. Those telephonic town hall meetings have occurred on March 21, March 26,  
9 March 31, April 4 and April 11, and future telephonic town hall meetings scheduled for April 18,  
10 April 25, May 2, May 9 and May 15, 2020.

11  
12 22. In addition, at Abrams’ invitation, fire survivor attorneys Mikal Watts and Gerald  
13 Singleton appeared on a two-hour long Facebook Live forum on April 14, 2020, where the pros  
14 and cons of the Amended Plan being voted on were debated with Mr. Abrams himself, as well as  
15 attorneys Bonnie Kane and Francis Scarpulla who represent former TCC members.

16  
17 23. On April 16, 2020, my law firm filed several lawsuits against Mike Bloomberg 2020,  
18 Inc., alleging that the Bloomberg campaign reneged on its promises to employ those persons  
19 agreeing to work on his presidential campaign through the November election, regardless of  
20 whether he won or lost the Democratic primary. When he reneged, I filed a lawsuit on behalf of  
21 my first client, Jennifer Strobel, on March 27, Plaintiff’s Original Petition in *Jennifer Strobel v.*  
22 *Mike Bloomberg 2020, Inc.*, Cause No. D-1-GN-20-001852, in the 201<sup>st</sup> Judicial District of Travis  
23 County, Texas. On April 16, 2020 three additional pleadings on behalf of twenty-three (23)  
24 employees of the Bloomberg campaign: (1) Plaintiffs’ Original Petition in *Sarah Allen, et al. v.*  
25 *Mike Bloomberg 2020, Inc.*, Travis County, Texas; (2) Plaintiffs’ Original Petition in *Tania*  
26 *Gonzalez-Ingram v. Mike Bloomberg 2020, Inc.*, Cause No. D-1-GN-20-002148, In the 200<sup>th</sup>  
27

28  
<sup>4</sup> [https://www.dropbox.com/s/pvzk6o5jl92f9y8/20200418%20town%20hall%20v1.1%20clip%201\\_1.mp4?dl=0](https://www.dropbox.com/s/pvzk6o5jl92f9y8/20200418%20town%20hall%20v1.1%20clip%201_1.mp4?dl=0)

1 Judicial District, Travis County, Texas; (3) Plaintiff's First Amended Petition, *Jennifer Strobel v.*  
2 *Mike Bloomberg 2020, Inc.*, Cause No. D-1-GN-20-001852, in the 201<sup>st</sup> Judicial District of Travis  
3 County, Texas.

4           24. On Sunday evening, April 19, 2020, I received a phone call from *Bloomberg News*  
5 reporter Mark Chediak, stating that he was writing a story on Abrams' filing. I asked for the filing  
6 before giving comment, and was told that Abrams had specifically told Mark Chediak not to share  
7 the filing with me. A search of the Court's docket contained no such filing, but *Bloomberg News'*  
8 Mark Chediak confirmed to me that Abrams had already sent it to him. While Mark Chediak asked  
9 for comment on a Sunday night, he honorably agreed that perhaps it would not be fair to require  
10 comment from me on a filing pre-supplied to a national reporter, but withheld from its subject.  
11

12           25. I affirm that the facts set forth in this declaration are true and correct.

13  
14 Dated April 20, 2020

Respectfully submitted,

15  
16 /s/ Mikal C. Watts  
17 Mikal C. Watts  
18 WATTS GUERRA LLP  
19 70 Stony Point Road, Suite A  
20 Santa Rosa, California 95401  
21 Phone: (707) 241-4567  
22 2561 California Park Drive, Suite 100  
23 Chico, California 95928  
24 Phone: (530) 240-6116  
25 Email: [mcwatts@wattsguerra.com](mailto:mcwatts@wattsguerra.com)

26  
27 *Attorney for Numerous Wild Fire Claimants*  
28